Stagnation in production of foodgrains

3394. SHRI B.K. HARIPRASAD: Will the Minister of AGRICULTURE be pleased to state:

(a) whether foodgrain production in the country is stagnating at around 415 million tonnes for the last few years;

(b) if so, whether the per capita production of foodgrains has come down to 1970 levels; and

(c) whether the loan-waiver package announced in the current budget is likely to enthuse the farm sector towards bringing larger areas under crops?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) No, Sir. The foodgrains production which was 198.36 million tonnes during 2004-05, increased to 208.60 million tonnes during 2005-06, 217.28 million tonnes during 2006-07 and further to 227.32 million tonnes during 2007-08 (3rd advance Estimates released on 22.04.2008). The per capita production of foodgrains at 201.4 kilogram during 2007-08 is higher as compared to 200.4 kilogram during 1970-71.

(c) The loan-waiver package announced in the current budget is likely to have an overall positive impact, including crop production.

Madhya Pradesh Government's memorandum for draught relief

†3395. SHRI PYARELAL KHANDELWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether his Ministry has received any memorandum from the Government of Madhya Pradesh for draught relief a few days ago;

(b) the amount for draught relief sought by the Government of Madhya Pradesh in the memorandum alongwith the details thereof; and

(c) the reactions of the Central Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) to (c) In January and March, 2008, the Government of Madhya Pradesh had submitted Memoranda seeking total assistance of Rs. 1883.81 crores form the National Calamity Contingency Fund (NCCF) for drought relief, which, *inter-alia,* included assistance for seed minikits, drinking water arrangements (urban and rural), cattle care and employment generation. An Inter-Ministerial Central Team visited the State from 18th to 21st February, 2008 for assessement of the situation. This will now be considered by the High Level Committee (HLC) for a decision on the quantum of assistance from NCCF to the State, for drought relief.

Justifiable price for paddy comparatively to wheat

3396. DR. K. MALAISAMY:
SHRI S. ANBALAGAN:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the Minimum Support Price for paddy and wheat was same for both upto 1995;

(b) if so, what is the background to give more to wheat than that of paddy;

(c) whether it is also a fact that cost of cultivation and other allied charges for paddy is more than wheat;

† Original notice of the question was received in Hindi.

(d) if so, will it not be an injustice done to paddy farmers;

(e) will there be a move to enhance the M.S.P. for paddy, if so, by when; and

(f) what is the stage of setting up of a Price Stabilize Fund for farm produce?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) to (e) During 1981-82 to 1995-96 the Minimum Support Price (MSP) fixed for wheat has been generally higher than that fixed for paddy, as detailed below:

Minimum Support Prices of Paddy and Wheat

(Rs./quintal)

Year	Paddy			Wheat
	Common	Fine	Superfine	
1981-82	115	—	—	142
1982-83	122	—	—	151
1983-84	132	—	—	152
1984-85	137	—	—	157
1985-86	142	—	—	162
1986-87	146	150	154	166
1987-88	150	154	158	173
1988-89	160	170	180	183
1989-90	185	190	205	215
1990-91	205	215	225	225
1991-92	230	240	250	275*
1992-93	270	280	290	330*
1993-94	310	330	350	350
1994-95	340	360	380	360
1995-96	360	375	395	380

*Including central bonus of Rs. 25.00 per quintal

The Government's price policy for agricultural commodities seeks to ensure remunerative prices to the farmers for their produce with a view to encourage higher investment and production, and to safeguard the interest of consumers by making available supplies at reasonable prices. The price policy also seeks to evolve a balanced and integrated price structure in the perspective of the overall needs of the economy.

The Government decides on the Minimum Support Price (MSP) for various agricultural commodities taking into account the recommendations of the Commission for Agricultural Costs and Prices (CACP), the views of State Governments and Central Ministries as well as such other relevant factors which are considered important for fixation of support prices.

The CACP, while formulating its recommendations on price policy considers a number of important factors which include cost of production, changes in input prices, input/output price

parity; trends in market prices, demand and supply situation, inter-crop price parity, effect on industrial cost structure, effect on general price level, effect on cost of living, international market price situation and parity between prices paid and prices received by the farmers.

(f) To provide price guarantee to the farmers for their produce the mechanism of MSP is implemented for 25 crops. For other perishable commodities, like fruits and vegetables, Market Intervention Scheme (MIS) is also implemented as and when required. There is no proposal to set up a Price Stabilization Fund.

Law for contract farming

†3397. SHRI PYARELAL KHANDELWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that contract farming is being carried out on a large scale in some States of the country;

(b) whether it is also a fact that the farmers are suffering huge losses in the absence of a law for contract farming;

(c) if so, the details thereof;

(d) whether Government has asked the States to enact a law for contract farming; and

(e) if so, the details of the steps taken by the States in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) and (b) No, Sir.

(c) Question does not arise.

(d) and (e) Yes, Sir. In order to make contract farming arrangements beneficial for the farmers and the sponsoring companies, a Model Law on Marketing has been formulated by the Government keeping various requirements in view and circulated to States Governments for considering suitable amendments in their concerned Acts to bring in the required agricultural market reforms. The Model Law provides for registration of contract farming sponsors, recording of agreements with a prescribed authority, dispute settlement mechanism, model format for contract farming agreement and protection to farmers' rights over land as a consequence of such agreements. The State Governments of Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Nagaland, Orissa, Punjab, Rajasthan, Sikkim, Tripura and UT of Chandigarh have amended their Acts and incorporated provisions for contracts farming.

Decline in the agriculture production

3398. SHRI A. ELAVARASAN: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government is concerned that there is a great decline in the production of agricultural commodities and the prices of essential food products have increased enormously;

(b) if so, what are the steps taken by Government;

(c) whether Government will plan to establish Special Agricultural Zone to enhance the agricultural production;

(d) if so, the details thereof; and

† Original notice of the question was received in Hindi.